

STATE OF MINNESOTA  
OFFICE OF ADMINISTRATIVE HEARINGS  
FOR THE MINNESOTA PUBLIC UTILITIES COMMISSION

In the Matter of a Petition by Interstate  
Power and Light Company for Authority to  
Increase Electric Rates in Minnesota.

**SECOND PREHEARING ORDER**

This matter came on before Administrative Law Judge Richard C. Luis on October 19, 2005, by the joint request of the Interstate Power and Light Company (IPL or the Company) and the Department of Commerce (Department).

**ANTICIPATED SETTLEMENT**

1. The Company and the Department have arrived at an agreement in principle settling the issues between them in this matter. The only other party to this proceeding is the Residential and Business Utilities Division of the Office of the Attorney General (OAG). The OAG has not participated actively in this proceeding.

2. The Company and the Department anticipate being able to file a document memorializing their settlement by Tuesday, November 1, 2005.

3. The Administrative Law Judge will review any proposed settlement and transmit a recommendation regarding the proposal to the Public Utilities Commission (the Commission). The Commission may accept or reject any settlement based on its determination regarding whether the settlement is in the public interest and results in just and reasonable rates.<sup>1</sup>

**SCHEDULE**

4. With the expectation that the Company and the Department will file a document memorializing their settlement, the schedule in this matter is modified as follows:

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<sup>1</sup> Minn. Stat. § 216B.16, subd. 1a (b); *ITMO a Petition by the U.S. Department of Defense, the General Services Administration, and All Other Federal Executive Agencies of the United States Challenging the Reasonableness of the Rates Charged by Northwestern Bell Telephone Company*, Docket No. P-421/CI-86-354 (Order Accepting Offer of Settlement issued February 10, 1988).

Rebuttal testimony and Proposed  
Settlement

November 1, 2005

Surrebuttal testimony

Postponed indefinitely

Evidentiary Hearing

Postponed indefinitely

Posthearing Brief

Postponed indefinitely

Reply Brief

Postponed indefinitely

ALJ Recommendation

Postponed indefinitely

Exceptions to the Commission

Postponed indefinitely

### **SETTLEMENT REVIEW**

5. Any proposed settlement will be reviewed by the Administrative Law Judge and transmitted to the Commission for consideration. The Commission may accept or reject the settlement. In the event the settlement is not accepted, the contested case will be resumed, and a telephone conference will be held to establish a schedule to complete the prefiled testimony and conduct the hearing in this matter.<sup>2</sup> An extension of up to 60 days is available for the completion of this rate proceeding, should the settlement not be accepted.

Dated this 19<sup>th</sup> day of October, 2005.

/s/ Richard C. Luis  
RICHARD C. LUIS  
Administrative Law Judge

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<sup>2</sup> Minn. Stat. § 216B.16, subds. 1a and 2.